

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7044

Petition of City of Burlington d/b/a Burlington Telecom,)
For a certificate of public good to operate a cable)
television system in the City of Burlington, Vermont)
(In Re: Petition to amend Condition No. 17 of CPG by)
enlarging the date by which Burlington Telecom must)
complete its system build out)

CITY OF BURLINGTON d/b/a BURLINGTON TELECOM'S RESPONSE TO
FOURTH SET OF DISCOVERY REQUESTS SERVED BY THE VERMONT
DEPARTMENT OF PUBLIC SERVICE

NOW COMES the City of Burlington d/b/a Burlington Telecom ("Burlington Telecom" or "BT") and pursuant to Rules 26, 33 and 34 of the Vermont Rules of Civil Procedure, made applicable to this proceeding by Vt. P.S.B. Rule 2.214, hereby responds to the Fourth Set of Discovery Requests served upon Burlington Telecom by the Department of Public Service (the "Department" or "DPS"), dated January 6, 2010 as follows:

4. Please refer to the response to DPS set 3, Q3. Please confirm that BT had a negative cash pool position (i.e., had a loan from the cash pool) on 3/1/2007 and that BT had failed to pay back the cash loaned from the City's cash pool within 60 days (i.e., by 4/30/2007) and thus BT had first violated 60-day requirement of CPG condition 60 on 4/30/2007.
 - a. If this cannot be confirmed, explain fully why not, and provide BT's understanding of the date of the initial violation by BT of condition 60 and provide all supporting documentation, including cash pool balances, documenting that violation.
 - b. After the initial violation of condition 60, please provide BT's understanding of how long that violation persisted, and provide supporting documentation, including cash pool balances, showing how and when it was remedied.

Response: Yes Burlington Telecom had a negative cash pool position on March 1, 2007 and had failed to pay back the cash loaned from the City's cash pool within 60 days, however the first violation did not occur on April 30, 2007.

See BT Exhibit Response DPS 4-4, which is a copy of a memo from the Mayor and supporting documentation demonstrating the lease and pooled cash activity from July 2006 to December 2009. This exhibit shows that Burlington Telecom expended the Koch proceeds in January 2007 and debited funds from the cash pool until August 2007, when the proceeds from the CitiCapital lease were received. The CitiCapital funds were expended in November 2007.

Therefore the first violation occurred in March 2007, not April 2007 as previously stated in DPS Question No. 3-3.

- a. **See BT Response to DPS Question No. 4 above.**
- b. **See BT Exhibit Response DPS 4-4 attached hereto.**

Person Responsible for Response: Jonathan P.A. Leopold, Jr.

Title: Chief Administrative Officer

Date: March 26, 2010